

## **Renewables Portfolio Standard Compliance Period 3 Reporting Guidance for Long-Term Procurement Requirements**

The long-term procurement requirement (LTR) established by Senate Bill 350 (De León, Chapter 547, Statutes of 2015) became applicable to all local publicly owned electric utilities (POUs) in Compliance Period (CP) 4, beginning January 1, 2021. For CP 3, which concluded on December 31, 2020, POUs have a more limited set of LTR reporting obligations and opportunities addressed in this guidance document.

The sole LTR obligation applicable to all POUs during the 2020 annual reporting process, is section 3207 (c)(5)(B)1.i., of the updated *Enforcement Procedures for the Renewables Portfolio Standard for Local Publicly Owned Electric Utilities (RPS POU Regulations)* requiring all POUs to submit LTR classifications for previously reported contracts. The deadline for all POUs to follow the steps set forth in Section A below and submit the required LTR identifications for previously reported contracts is **August 13, 2021**. Section B below includes additional instructions for POUs to submit documentation, including attestations, regarding the duration of “underlying contracts” associated with long-term contracts or resale agreements between a POU and a joint powers authority (JPA) or third-party supplier.

The primary LTR opportunity addressed within the updated *RPS POU Regulations* relates to voluntary early compliance and excess procurement. Specifically, subject to the reporting guidance in Sections C, D and E below, POUs may adopt rules electing early compliance with the LTR for Compliance Period 3 (2017 – 2020). A POU opting for voluntary early compliance must submit LTR classifications for new and previously reported contracts and procurement claims. The LTR and the option for voluntary early compliance are addressed in the updated *RPS POU Regulations*, with the main provisions regarding the adoption and reporting of rules electing to obtain voluntary early compliance appearing in sections 3206 (a)(1)(G), 3206 (a)(1)(I)3., and 3207 (d)(4)(A). The deadline for POUs to report their election to seek voluntary early compliance with the LTR for Compliance Period 3 (as required by section 3207 (d)(4)(A)) and the RPS data in support of the LTR verification of procurement claims is **August 13, 2021**.

The instructions below summarize the reporting requirements that POUs must submit by these reporting deadlines and the steps required to submit the information in the RPS Online System.

## **A. LTR Identification for Previously Reported Contracts - All POU's**

To identify and report previously reported contracts, POU's must download the contract information from the [RPS Online System](https://rps.energy.ca.gov/) (available at: <https://rps.energy.ca.gov/>).

**Please note the steps below must be completed prior to attestation and submission of the 2020 Annual Summary Report.**

Instructions for submission of LTR classifications for previously reported contracts in accordance with *RPS POU Regulations* section 3207 (c)(5)(B)1.i:

1. Log into the [RPS Online System](https://rps.energy.ca.gov/) (available at: <https://rps.energy.ca.gov/>)
2. Once logged into your organization's account, hover over the "Verification Reports" tab.
3. Click on "POU Contracts"
4. Click on the "Excel" button to export all contract data.
5. Save your exported spreadsheet as an Excel Workbook (\*.xlsx) file.
6. In the existing column V, named "LongTerm" include the LTR classification, indicating yes or no for a long-term or short-term contract, respectively.
7. In the existing column U, named "Notes," for long-term contracts, add information on how the contract meets the requirements of the LTR as specified in section 3207 (c)(2)(F) of the *RPS POU Regulations*.
8. Once LTR classifications and additional information for previously reported contracts have been identified, save the file as "LTR Contract Reporting."
9. Using the upload feature in the "POU Narratives" reporting page in the 2020 Annual Summary Report, upload the completed Contract LTR Classification, spreadsheet in the narratives section, selecting "other narratives" as narrative type.
10. When the 2020 Annual Summary Report is complete, sign the attestation to complete your submission in the RPS Online System.

## **B. Acceptable LTR Documentation for Underlying Contracts**

POU's submitting long-term contracts or resale agreements with a JPA or third-party supplier must establish that any "underlying contracts" between the JPA or third-party supplier and RPS-certified facilities supplying the electricity products to POU meet the applicable portions of the LTR specified in section 3204 (d)(2)(A)-(C). Specifically, in order for a POU to classify such a contract as long-term, the POU must show that, at the time of the start date of the POU's contract or resale agreement with the JPA or third-party supplier, "[t]he RPS-certified facility or facilities supplying the electricity products in the long-term contract are owned by the joint powers authority or third-party supplier or are subject to a long-term contract with a remaining duration of at least 10 continuous years." (Cal. Code Regs., tit. 20, 3204 (d)(2)(B)2.ii.).

As stated in *RPS POU Regulations* section 3207 (c)(2)(F), POU's, JPA, or third-party sellers may submit records, such as excerpted contract information or ownership agreements, directly to the CEC to make this demonstration. Alternatively, if it is clear from a POU's long-term contract or resale agreement with a JPA or third-party supplier that the RPS-certified facility or facilities supplying the electricity products in the long-term contract are owned by the JPA or third-party supplier, the POU could identify where this term is located in its contract, and no additional documentation would be necessary to establish LTR eligibility of the underlying contracts.

For ease of reporting, the CEC will also accept signed attestations directly from JPAs or third-party suppliers to document the LTR eligibility of "underlying contracts" associated with a POU's submitted long-term contracts or resale agreements with a JPA or third-party supplier. To encourage POU's to include information on the applicability of the LTR to underlying contracts in future contracts with JPAs and third-party suppliers, this option is only available for existing long-term contracts executed by POU's prior to July 1, 2020. An agent of a JPA or third-party supplier seeking to complete a direct attestation on a POU's behalf must fill in, complete, and submit the [Joint Powers Authority or Third-Party Supplier Contract Attestation](https://www.energy.ca.gov/media/5882) form (available at <https://www.energy.ca.gov/media/5882>.) for each POU requesting such an attestation. Attestations must be uploaded as "other narratives" in the 2020 Annual Summary Report within the RPS Online System. **Please note the steps below must be completed prior to attestation and submission of the 2020 Annual Summary Report.**

Instructions for submission of third-party Attestation for underlying LTR contracts:

1. Download the [Joint Powers Authority or Third-Party Supplier Contract Attestation](https://www.energy.ca.gov/media/5882) form (available at <https://www.energy.ca.gov/media/5882>).
2. Fill in necessary contract information in the blank spaces according to the following definitions:
  - a. POU Name: Enter the name of the publicly owned utility the electricity products are resold to.
  - b. POU Contract ID: Enter the contract ID originally reported by the POU to the CEC. The format should be as follows: XXXX-YYYY-Z(Z), Where XXXX is the POU Code, YYYY is the Reporting Year, and Z(Z) is the serial number for the POU contract (Example: SMUD-2020-1).
3. Save the updated Joint Powers Authority or Third-Party Supplier Contract Attestation form as a .pdf file and sign the attestation at the bottom of the form electronically and save the signed form.
4. Using the upload feature in the "POU Narratives" reporting page in the 2020 Annual Summary Report, upload the third-party attestation, selecting "other narratives" as narrative type.

5. Please note that one attestation submission is needed for each POU with a long-term contract agreement with a JPA or third-party supplier, even if multiple POUs are a party to a single contract with a JPA or third-party supplier.
6. When the 2020 Annual Summary Report is complete, sign the attestation to complete your submission in the RPS Online System.

### **C. POUs Opting for Voluntary Early Compliance with the LTR**

POUs opting for voluntary early compliance with the LTR for CP 3, must report to the CEC on such election, as required by section 3207 (d)(4)(A). POUs must report the following information using the upload feature in the "POU Narratives" reporting page within the 2020 Annual Summary Report and select "Other Narratives" as the narrative type:

1. Indicate POUs election to pursue voluntary early compliance with the LTR for CP 3.
2. Indicate POU's election is pursuant to section 3206 (a)(1)(G) or section 3206 (a)(1)(I)3.
3. Submit a copy of the POU's adopted rules regarding its election to opt for voluntary early compliance with the LTR; and
4. Submit a copy of the signed resolution, order, or meeting minutes indicating that the POU's governing body adopted the attached rules for voluntary early compliance with the LTR.

### **D. New Contract Data Reporting for POUs Opting for Voluntary Early Compliance with the LTR**

POUs opting for voluntary early compliance with the LTR must report new contracts, amendments, and ownership agreements executed during the prior year.

Instructions for submission of new contracts, amendments, and ownership agreements in accordance with voluntary early compliance with the LTR, as required in *RPS POU Regulations* section 3207 (c)(2)(F):

1. Log into the [RPS Online System](https://rps.energy.ca.gov) (available at: <https://rps.energy.ca.gov>)
2. Report new contracts, amendments, and ownership agreements, executed in the prior year, using the "POU Contracts" reporting page by clicking on the "Add New Contract" or "Add an Amendment" buttons, whichever is applicable.
3. Identify the contract, amendment, or ownership agreement as long-term by clicking the checkbox next to the Long-Term Contract in the "General Contract Information" section of the POU Contracts reporting page.

**Please note:** this functionality is available only for reporting new contracts, amendments, and ownership agreements. Please see Section A above for instructions on reporting LTR status of previously reported contracts.

4. Using the upload feature in the "POU Contracts" reporting page, upload the contracts,<sup>1</sup> any information or documentation that specify how the contracts meet the requirements of the LTR, page numbers where these terms can be found in the contract, and documentation showing the underlying contracts, if applicable.
5. Once all necessary information has been provided, sign the attestation to complete your submission in the RPS Online System.

### **E. Claims Data Reporting for POUs Opting for Voluntary Early Compliance with the LTR**

POUs opting for voluntary early compliance with the LTR are required to identify previously reported claims as long-term (LT) or short-term (ST) for each reporting year within Compliance Period 3. **Please note the steps below must be completed prior to attestation and submission of the 2020 Annual Summary Report.**

Instructions for submission of LTR classifications for new and previously reported claims in accordance with voluntary early compliance with the LTR for any POU that adopted rules permitting it to make a voluntary early compliance election pursuant to *RPS POU Regulations* section 3207 (c)(2)(E):

1. Log into the [RPS Online System](https://rps.energy.ca.gov) (available at: <https://rps.energy.ca.gov>)
2. Once logged in to your organization's account, click on the "Verification" tab.
3. Click "Select" next to your organization's name.
4. From the drop-down menu, select "2017-2020" for the Compliance Period and "2017" for the Reporting Year.
5. Click on the "WREGIS Report" button.
6. Click on the "Excel" button to export the WREGIS data.
7. Save your WREGIS data as an Excel Workbook (\*.xlsx) file.
8. In your saved workbook, insert a new column between columns C and D, "SubAccount" and "WREGISGUID."
9. Name the new column "LTR."
10. In the LTR column, include the LTR classification, indicating LT and ST for a long-term or short-term claim, respectively.

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<sup>1</sup> POUs should redact any confidential information from submitted contracts that is not required to determine RPS eligibility. If the submission of confidential information is required to determine a contract meets RPS requirements, including any LTR requirements, POUs may request that such records be designated confidential under the Energy Commission's regulations for confidential designation, Title 20, California Code of Regulations, section 2505.

11. Once LTR classifications for previously reported claims have been identified, save the file as "LTR Claims for Voluntary Early Compliance."
12. Repeat steps four through eleven for reporting years 2018, 2019, and 2020.  
**Please note:** POUs may submit one spreadsheet for each compliance year, or one spreadsheet for the whole compliance period.
13. Using the upload feature in the "POU Narratives" reporting page in the 2020 Annual Summary Report, upload the completed Claim LTR Classification spreadsheet, selecting "other narratives" as narrative type.
14. When the 2020 Annual Summary Report is complete, sign the attestation to complete your submission in the RPS Online System.